

The Board of Finance of the Consolidated City of Indianapolis and Marion County met on Tuesday, October 12, 2010, in Room 260 of the City-County Building, Indianapolis, IN. The following members were present:

Michael W. Rodman, Treasurer, Marion County
Chuck White, Deputy Controller, Consolidated City of Indianapolis/Marion County
Greg Bowes, Assessor, Marion County
Billie Breaux, Auditor, Marion County
Debra Hineline, Director, Financial Management, Indianapolis Public Schools

Mr. Rodman, Board of Finance President, called the meeting to order at 9:05 am once it was determined that a quorum was present.

Definition of a Bank Branch:

Mr. Rodman stated that the Board's order of business was to determine the exact definition of a bank branch, and asked Chief Deputy Treasurer Tom Creasser to elaborate on the issue.

Mr. Creasser explained that the Indiana State Board of Depositories qualifies eligible depository institutions within the State of Indiana. However each County Board of Finance must now approve those depositories specifically for their County. There are institutions now seeking government funds for deposit which operate branches in other areas of the state, but do not currently maintain their own branches within Marion County. Mr. Creasser detailed that the law delineates what a branch is not – for example, it is not an ATM – however, it does not specify what a branch is. Thus the Board of Finance needs to determine its own definition.

Mr. Rodman clarified that deposits in non-approved financial institutions are not eligible for state-funded insurance coverage, so the issue is very important. Mr. Bowes and Mr. Creasser reviewed the relevant Indiana Code and emphasized that banks are being encouraged to provide a full-range of local banking services for residents of Marion County. Mr. Rodman reminded the Board that the City-County Council requires financial institutions to maintain a Community Reinvestment Act (CRA) rating of satisfactory or better to be eligible to hold funds.

Ms. Breaux moved, and Mr. Bowes seconded, that the Board adopt the following:

“For Marion County to deposit funds in a financial institution, it must: 1) be a depository approved by the Indiana Board of Depositories; 2) maintain a banking branch office, which is defined as a publicized, dedicated commercial activity operating normal banking hours with full-time banking staff engaged in traditional retail and commercial banking functions, including opening and servicing of accounts, and taking deposits and loan applications; 3) have a banking branch of the financial institution within the geographical boundaries of Marion County; and 4) have a satisfactory or better Community Reinvestment Act (CRA) rating.”

Mr. Kintner questioned whether there was a certain level of creditworthiness and credibility assured if an institution was on the State-Approved Depository List. Mr. Rodman and Mr. Creasser clarified that the State has minimum capital requirements and the State Treasurer is implementing additional collateralization requirements based on each financial institution's creditworthiness as established by private ratings. Mr. Rodman then called for a vote on the proposed motion, and it was passed by unanimous vote.

There being no further reports or discussion, the meeting was adjourned.

Michael W. Rodman, President

Attest:

Greg Bowes, Secretary